



## MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

### PART I: GENERAL INFORMATION

Requestor Name and Address:  ACCESS MEDIQUIP PO BOX 421529 HOUSTON TX 77242	MFDR Tracking #: M4-05-A087-01
	DWC Claim #:
	Injured Employee:
Respondent Name and Box #:  LIBERTY MUTUAL FIRE INSURANCE Box #: 28	Date of Injury:
	Employer Name:
	Insurance Carrier #:

### PART II: REQUESTOR'S POSITION SUMMARY AND PRINCIPAL DOCUMENTATION

**Requestor's Position Summary:** "Access Mediquip, L.L.C. obtained authorization number AZS5Z1-18 to provide a decompression probe from Jackie K. in the preauthorization department at Liberty Mutual. Our claim was sent to the carrier and denied for no preauthorization. Their office was contacted and Hope update the system so that Access would appear on the authorization, since at the time we requested authorization the representative did not put our company's name in the system. We sent the claim again and received another denial stating the claim was not denied because the charge should be included in the facility fee." "At the time we obtained authorization, no one informed our office that we could not bill for the equipment. The adjuster was told that a separate bill would be submitted from our office and never stated that we could not receive reimbursement for the equipment."

**Principal Documentation:**

1. DWC 60 Package
2. Medical Bill(s)
3. EOB(s)
4. Total Amount Sought - \$3,750.00

### PART III: RESPONDENT'S POSITION SUMMARY AND PRINCIPAL DOCUMENTATION

**Respondent's Position Summary:** "It is usual and customary for supplies needed for surgery to be billed by the Facility. The Facility was already reimbursed for supplies that it provided. The preauthorization was given to the facility for the procedure and not specifically for any supply."

**Principal Documentation:**

1. DWC 60 Package

### PART IV: SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Calculations	Amount in Dispute	Amount Due
12/03/2004	E1399	Not Applicable	\$3,750.00	\$0.00
			<b>Total Due:</b>	<b>\$0.00</b>

### PART V: FINDINGS AND DECISION

This medical fee dispute is decided pursuant to Tex. Lab. Code Ann. §413.031 of the Texas Workers' Compensation Act, and pursuant to all applicable, adopted rules of the Texas Department of Insurance, Division of Workers' Compensation.

**Background**

1. This request for medical fee dispute resolution was received by the Division on June 30, 2005. Pursuant to Division rule at 28 TAC §133.307(g)(3), effective January 1, 2003, 27 TexReg 12282, applicable to disputes filed on or after January 1, 2003, the Division notified the requestor on July 12, 2005 to send additional documentation relevant to the

fee dispute as set forth in the rule.

2. Division rule at 28 TAC §134.402, titled *Ambulatory Surgical Center Fee Guideline*, effective September 1, 2004, sets out the reimbursement for ambulatory surgical care (ASC) treatment and services.
3. Division rule at 28 TAC §133.307, effective January 1, 2003, 27 TexReg 12282, sets out the requirements and procedure for requesting dispute resolution.
4. Division rule at 28 TAC §134.600, effective January 1, 2003 27 TexReg 12359, sets out the procedure for preauthorization of non-emergency health care.
5. The services in dispute were reduced/denied by the respondent with the following reason codes:  
Explanation of benefits dated 12/3/2004
  - M, Z114 – Reductions are due to charges exceeding amounts reasonable for the provider's demographic area.
  - A, X170 – Pre-authorization was required, but not requested for this service per TWCC Rule 134.600.Explanation of benefits dated 4/15/2005
  - M, Z114 – Reductions are due to charges exceeding amounts reasonable for the provider's demographic area.
  - A, X170 – Pre-authorization was required, but not requested for this service per TWCC Rule 134.600.Explanation of benefits dated 5/18/2005
  - M, Z114 – Reductions are due to charges exceeding amounts reasonable for the provider's demographic area.
  - G, X094 – Charges included in the facility fee.

### **Issues**

1. Was preauthorization obtained for the disputed service?
2. Are the disputed charges included in the facility fees per Division rule at 28 TAC §134.402?
3. Was the dispute submitted in the file and format required by Division rule at 28 TAC §133.307?

### **Findings**

1. The Respondent denied reimbursement for HCPCS code E1399 based upon preauthorization was required but not obtained. HCPCS code E1399 is described as "Durable medical equipment, miscellaneous." The requestor billed HCPCS code E1399 for a decompression probe.

Division rule at 28 TAC §134.600(p)(9) states "Non-emergency health care requiring preauthorization includes: (9) all durable medical equipment (DME) in excess of \$500 billed charges per item (either purchase or expected cumulative rental)." The requestor billed \$3,750.00 for HCPCS code E1399; therefore, the charges were in excess of \$500 and preauthorization is required per Division rule at 28 TAC §134.600(p)(9).

In the position summary the requestor wrote that "Access Mediquip, L.L.C. obtained authorization number AZS5Z1-18 to provide a decompression probe from Jackie K. in the preauthorization department at Liberty Mutual." The requestor submitted a copy of this preauthorization report number AZS5Z1-18 to the Division for review. The Division finds that this preauthorization report is not addressed to Access Mediquip, L.L.C. but to Dr. Jose Reyes Jr. The preauthorized service is "L5-S1 percutaneous discectomy", not a decompression probe. Therefore, the requestor's documentation does not support that preauthorization was obtained for the decompression probe in accordance with Division rule at 28 TAC §134.600(p)(9).

2. The respondent denied reimbursement for HCPCS code E1399 based upon the charges are included in the facility fee.

Per the submitted medical bill, the spinal surgery was performed at Vista Health Care, an ambulatory surgical care center; therefore, the reimbursement is subject to the provisions of Division rule at 28 TAC §134.402.

Division rule at 28 TAC §134.402 (e)(4) states "The carrier shall reimburse all surgically implanted, inserted, or otherwise applied devices at the lesser of the manufacturer's invoice amount or the net amount (exclusive of rebates and discounts) actually paid for such device to the manufacturer by the ASC. Provider billing shall include a certification that the amount sought represents its actual cost (net amount, exclusive of rebates and discounts). That certification shall include the following sentence: 'I hereby certify under penalty of law that the following is the true and correct actual cost to the best of my knowledge'."

Division rule at 28 TAC §134.402(e)(4) provides for the ASC, not Access Mediquip to be reimbursed for the implanted, inserted, or otherwise applied device. Therefore, the disputed charges are included in the facility fee per Division rule at 28 TAC §134.402(e)(4).

3. Division rule at 28 TAC §133.307(g)(3)(B) requires the requestor to send additional documentation relevant to the fee dispute including "a copy of any pertinent medical records." Review of the submitted evidence finds that the requestor

has not sent a copy of any / all pertinent medical records. The Division concludes that the requestor has not provided documentation sufficient to meet the requirements of Division rule at 28 TAC §133.307(g)(3)(B). As a result, the amount ordered is \$0.00.

### **Conclusion**

The Division would like to emphasize that individual medical fee dispute outcomes rely upon the evidence presented by the requestor and respondent during dispute resolution, and the thorough review and consideration of that evidence. After thorough review and consideration of all the evidence presented by the parties to this dispute, it is determined that the submitted documentation does not support the reimbursement amount sought by the requestor. The Division concludes that this dispute was not filed in the form and manner prescribed under Division rules at 28 Texas Administrative Code sections §133.307(g)(3)(B). For the reasons stated above, the division finds that the requestor has not established that reimbursement is due. As a result, the amount ordered is \$0.00.

### **PART VI: ORDER**

Based upon the documentation submitted by the parties and in accordance with the provisions of Texas Labor Code §413.031 and §413.019 (if applicable), the Division has determined that the requestor is entitled to \$0.00 reimbursement for the services involved in this dispute.

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Medical Fee Dispute Resolution Officer

**8/26/2010**

\_\_\_\_\_  
Date

### **PART VII: YOUR RIGHT TO REQUEST AN APPEAL**

Either party to this medical fee dispute has a right to request an appeal. A request for hearing must be in writing and it must be received by the DWC Chief Clerk of Proceedings within **20** (twenty) days of your receipt of this decision. A request for hearing should be sent to: Chief Clerk of Proceedings, Texas Department of Insurance, Division of Workers Compensation, P.O. Box 17787, Austin, Texas, 78744. **Please include a copy of the Medical Fee Dispute Resolution Findings and Decision** together with other required information specified in Division rule at 28 Tex. Admin. Code §148.3(c).

Under Texas Labor Code § 413.0311, your appeal will be handled by a Division hearing under Title 28 Texas Administrative Code Chapter 142 rules if the total amount sought does not exceed \$2,000. If the total amount sought exceeds \$2,000, a hearing will be conducted by the State Office of Administrative Hearings under Texas Labor Code §413.031.

**Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.**